Billing Code: 5001-06

DEPARTMENT OF DEFENSE

Office of the Secretary

(Transmittal No. 16-24)

36(b)(1) Arms Sales Notification

AGENCY: Department of Defense, Defense Security Cooperation Agency.

ACTION: Notice.

SUMMARY: The Department of Defense is publishing the unclassified text of a section 36(b)(1) arms sales notification. This is published to fulfill the requirements of section 155 of Public Law 104-164 dated July 21, 1996.

FOR FURTHER INFORMATION CONTACT: Chandelle K. Parker, DSCA/LMO, (703) 697-9027.

The following is a copy of a letter to the Speaker of the House of Representatives,

Transmittal 16-24 with attached Policy Justification and Sensitivity of Technology.

Dated: June 27, 2016.

Aaron Siegel, Alternate OSD Federal Register Liaison Officer, Department of Defense.



DEFENSE SECURITY COOPERATION AGENCY 201 12TH STREET SOUTH, STE 203 ARLINGTON, VA 22202-5408

MAY 2 4 2016

The Honorable Paul D. Ryan Speaker of the House U.S. House of Representatives Washington, DC 20515

Dear Mr. Speaker:

Pursuant to the reporting requirements of Section 36(b)(1) of the Arms Export Control Act, as amended, we are forwarding herewith Transmittal No. 16-24, concerning the Department of the Air Force's proposed Letter(s) of Offer and Acceptance to the Government of Oman for defense articles and services estimated to cost \$260 million. After this letter is delivered to your office, we plan to issue a news release to notify the public of this proposed sale.

Sincerely,

Vice Admiral, USN

Director

Enclosures:

- 1. Transmittal
- 2. Policy Justification
- 3. Sensitivity of Technology
- 4. Regional Balance (Classified Document Provided Under Separate Cover)

Transmittal No. 16-24

Notice of Proposed Issuance of Letter of Offer Pursuant to Section 36(b)(1) of the Arms Export Control Act, as amended

(i) Prospective Purchaser: Government of Oman

(ii) Total Estimated Value:

Major Defense Equipment* \$0 million
Other \$260 million

TOTAL: \$260 million

(iii) <u>Description and Quantity or Quantities of Articles or Services under</u> Consideration for Purchase:

Non-MDE:

Follow-on support for Oman's existing F-16 fleet that includes support equipment, communications equipment, personnel training, spare and repair parts, publications, Electronic Combat International Security Assistance Program (ECISAP), Contractor Engineer Technical Services (CETS), Technical Coordination Group (TCG), International Engine Management Program (IEMP), Precision Measurement Equipment Laboratory (PMEL) calibration and technical orders. The estimated value of this possible sale is \$260 million.

- (iv) Military Department: USAF (QAO)
- (v) <u>Prior Related Cases, if any</u>: MU-D-SDC-\$693,191,686-5 June 2002; MU-D-QAJ-\$186,003,411-22 September 2009; MU-D-SAB-\$1,418,883,494-2 December 2011.
- (vi) Sales Commission, Fee, etc., Paid, Offered, or Agreed to be Paid: None
- (vii) <u>Sensitivity of Technology Contained in the Defense Article or Defense Services Proposed to be Sold</u>: See Attached Annex.
- (viii) Date Report Delivered to Congress: 24 May 2016
- * as defined in Section 47(6) of the Arms Export Control Act.

POLICY JUSTIFICATION

Oman-Continuation of Logistics Support Services and Equipment

The Government of Oman requests follow-on support for its existing F-16 fleet that includes support equipment, communications equipment, personnel training, spare and repair parts, publications, Electronic Combat International Security Assistance Program (ECISAP), Contractor Engineer Technical Services (CETS), Technical Coordination Group (TCG), International Engine Management Program (IEMP), Precision Measurement Equipment Laboratory (PMEL) calibration and technical orders. The estimated value of this possible sale is \$260 million.

The proposed sale of support services will enable the Royal Air Force of Oman to ensure the reliability and performance of its F-16 aircraft. Oman will have no difficulty absorbing this support into its armed forces.

This proposed sale contributes to the foreign policy and national security of the United States by helping to improve the security of a friendly country which has been, and continues to be, an important force for political stability and economic progress in the Middle East.

The proposed sale allows the U.S. military to support the Royal Air Force of Oman, further strengthen the U.S.-Omani military-to-military relationship, and ensure continued interoperability of forces and opportunities for bilateral training and exercises with Oman's military forces.

The proposed sale of this equipment and support will not alter the basic military balance in the region.

The prime contractors for this sale are: Lockheed Martin Aero, Fort Worth, TX; ITT (EXCELIS-Harris), Fort Wayne, IN; BAE Systems, Austin, TX; Honeywell, Clearwater, FL; Northrop Grumman, Linthicum Heights, MD; Marvin Engineering, Inglewood, CA; Lockheed Martin Missile and Fire Control, Orlando, FL; Goodrich Corp, Westford, MA. There are no known offset agreements proposed in connection with this potential sale.

Implementation of this proposed sale does not require the assignment of any additional U.S. Government or contractor representatives to Oman.

There will be no adverse impact on U.S. defense readiness as a result of this proposed sale.

All defense articles and services have been approved for release to the Government of Oman.

Transmittal No. 16-24

Notice of Proposed Issuance of Letter of Offer Pursuant to Section 36(b)(1) of the Arms Export Control Act, as amended

Annex Item No. vii

(vii) Sensitivity of Technology:

- 1. This case involves the sustainment of sensitive technology previously released to Oman in the sales of their F-16C/D aircraft. The F-16C/D Block 50/52 weapon system is UNCLASSIFIED, except as noted below. The aircraft uses the F-16 airframe and features advanced avionics and systems including the Pratt and Whitney F-100-PW-229 or the General Electric F-110-GE-129 engine, AN/APG-68V(9) radar, digital flight control system, external electronic warfare equipment, Advanced Identification Friend or Foe (AIFF), Link-16 datalink, and software computer programs.
- 2. Sensitive or classified (up to SECRET) elements of the proposed F-16C/D include hardware, accessories, components, and associated software: AN/APG-68V(9) Radar, Have Quick I/II Radios, AN/APX-113 AIFF with Mode IV capability, AN/ALE-47 Countermeasures (Chaff and Flare) set, LINK-16 Advanced Data Link Group A provisions only, Embedded Global Positioning System/Inertial Navigation System, Joint Helmet-Mounted Cueing System (JHMCS), ALQ-211(V)4 Advanced Integrated Defensive Electronic Warfare Suite (AIDEWS) without Digital Radio Frequency Memory, AN/ALQ-211(V)4 Countermeasures Set, Modular Mission Computer, Have Glass I/II without infrared top coat, and Digital Flight Control System. Additional sensitive areas include operating manuals and maintenance technical orders containing performance information, operating and test procedures, and other information related to support operations and repair. The hardware, software, and data identified are classified to protect vulnerabilities, design, and performance parameters and other similar critical information.
- 3. Software, hardware, and other data, which is classified or sensitive, is reviewed prior to release to protect system vulnerabilities, design data, and performance parameters. Some end-item hardware, software, and other data identified above are classified at the CONFIDENTIAL and SECRET level. Potential compromise of these systems is controlled through management of the basic software programs of highly sensitive systems and software-controlled weapon system on a case-by-case basis.
- 4. Oman is both willing and able to protect U.S. classified military information. Oman's physical and document security standards are equivalent to U.S. standards.

- 5. This sale is necessary in furtherance of the U.S. foreign policy and national security objectives outlined in the Policy Justification. Moreover, the benefits to be derived from this sale outweigh the potential damage that could result if the sensitive technology were revealed to unauthorized persons.
- 6. All defense articles and services listed in this transmittal have been authorized for release and export to the Government of Oman.

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